

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 271, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete everything after the enacting clause and insert the
2 following:
3 SECTION 1. IC 6-1.1-10-45 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2011]: **Sec. 45. (a) The following definitions**
6 **apply throughout this section:**
7 (1) "Exemption" refers to an exemption authorized in an
8 ordinance adopted under this section.
9 (2) "Designating body" has the meaning set forth in
10 IC 6-1.1-12.1-1(7).
11 (3) "Ordinance" refers to an ordinance adopted under this
12 section.
13 (4) "Qualified area" refers to the territory governed by a
14 designating body that adopts an ordinance under this
15 section.
16 (b) After conducting a public hearing on the proposed
17 ordinance, a designating body may adopt an ordinance to fully or
18 partially exempt personal property located in a qualified area from
19 property taxation. The ordinance must specify the amount and
20 duration of the exemption. A designating body may amend an
21 ordinance in the manner provided for adopting an ordinance.
22 (c) An ordinance adopted under subsection (b) must provide
23 for the uniform exemption of all personal property located in the
24 qualified area.
25 (d) A designating body may rescind an ordinance adopted
26 under subsection (b) after a public hearing held at least two (2)

1 years after the date the ordinance was adopted. However, any
 2 personal property subject to an exemption granted before an
 3 ordinance is amended or rescinded remains subject to an
 4 exemption until it is removed from service in the qualified area by
 5 the taxpayer.

6 (e) Before adopting an ordinance under this section, a
 7 designating body shall conduct a public hearing on the proposed
 8 ordinance. The designating body shall:

9 (1) publish notice of the public hearing in accordance with
 10 IC 5-3-1; and

11 (2) not later than ten (10) days before the public hearing, file
 12 the notice with each taxing unit in the county.

13 (f) An ordinance adopted under this section does not apply to
 14 an assessment date occurring in the same year that the ordinance
 15 is adopted.

16 (g) The designating body shall provide a certified copy of an
 17 adopted ordinance to the department of local government finance
 18 and the county auditor.

19 (h) A taxpayer is not required to file an application to qualify
 20 for an exemption permitted under this section.

21 (i) The department of local government finance shall
 22 incorporate an exemption established in this section in the personal
 23 property return form to be used each year for filing under this
 24 article to permit the taxpayer to enter the exemption on the form.
 25 If a taxpayer fails to enter the exemption on the form, the township
 26 assessor, the county assessor if there is no township assessor for the
 27 township, or the department of local government finance, if the
 28 department of local government finance assesses the personal
 29 property, shall:

30 (1) determine the amount of the exemption; and

31 (2) within the period established in IC 6-1.1-16-1, issue a
 32 notice of assessment to the taxpayer that reflects the
 33 application of the exemption to the personal property.

34 (j) An exemption established under this section must be
 35 applied to any personal property assessment made by:

36 (1) an assessing official;

37 (2) a county property tax board of appeals; or

38 (3) the department of local government finance.

39 SECTION 2. IC 36-1-8-14.3 IS ADDED TO THE INDIANA
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2011]: **Sec. 14.3. (a) As used in this section,**
 42 **the following terms have the meanings set forth in IC 6-1.1-1:**

43 (1) Assessed value.

44 (2) Exemption.

45 (3) Owner.

46 (4) Person.

47 (5) Personal property.

48 (6) Property taxation.

49 (b) As used in this section, "designating body" has the meaning
 50 set forth in IC 6-1.1-12.1-1(7).

1 (c) As used in this section, "PILOTS" means payments in lieu
2 of taxes.

3 (d) As used in this section, "property owner" means the owner
4 of personal property subject to an exemption provided under
5 IC 6-1.1-10-45.

6 (e) As used in this section, "qualified area" has the meaning set
7 forth in IC 6-1.1-10-45.

8 (f) A designating body that adopts an ordinance providing a
9 property tax exemption under IC 6-1.1-10-45 may adopt an
10 ordinance to require a property owner to pay PILOTS at times set
11 forth in the ordinance with respect to personal property that is
12 subject to an exemption under IC 6-1.1-10-45. An ordinance
13 adopted under this section applies only to an assessment date for
14 which the property owner is subject to an exemption provided
15 under IC 6-1.1-10-45. The ordinance remains in full force and
16 effect until repealed or modified by the governing body.

17 (g) A PILOT may be imposed in any amount determined by
18 the designating body that does not exceed the amount of the
19 property tax exemption granted to the property owner under
20 IC 6-1.1-10-45 with respect to the property taxes imposed by the
21 taxing unit governed by the designating body. The PILOTS must
22 be calculated so that the PILOTS are uniformly applied to each
23 property owner in a qualified area.

24 (h) PILOTS collected under this section shall be deposited in
25 the unit's general fund and used for any lawful purpose of the unit.

26 (i) PILOTS are due as set forth in the ordinance and bear
27 interest, if unpaid, as in the case of other taxes on property.
28 PILOTS shall be treated in the same manner as taxes for purposes
29 of all procedural and substantive provisions of law.

(Reference is to SB 271 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Commerce and Economic Development.

LONG, Chairperson